Michael O. Leavitt Governor Robert L. Morgan Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5340 telephone (801) 359-3940 fax (801) 538-7223 TTY www.nr.utah.gov

May 29, 2003

Sandy Nell 13171 South 3300 West Riverton, Utah 84065

Re: Acceptance of Notice of Intention to Commence Small Mining Operations, Sandy Wash Project,

S/001/063, Beaver County, Utah

Dear Mr. Nell:

Thank you for your Notice of Intention to Commence Small Mining Operations and initial \$150.00 permit application fee, received by the Division on January 17, 2003. The proposed Sandy Wash Mine is located in the N1/2 of the SW1/4 of the NW 1/4 of Section 29, T29S, R15W, SLBM, Beaver County, Utah. Before we could grant acceptance of the notice, we had to receive clearance from the Utah Division of State History Preservation Office (SHPO) that no historical or archaeological properties were in the area of the proposed operation. On February 3, 2003, SHPO informed us that due to heavy density of sites in the surrounding area, a survey of this site was recommended. We were also informed that SITLA had deficiencies that needed to be addressed before they would grant acceptance of this proposal.

On May 27, 2003, we received a copy of the archaeological report that was completed by Intersearch; wherein they stated that no cultural resources were observed in the proposed mining area, most likely due to the steepness of the involved terrain.

The application is considered complete and no additional information is required by the Division at this time. You may commence with your mining operations as outlined, provided you have satisfied the requirements and received written acceptance from the School and Institutional Trust Lands Administration.

In accordance with the requirements of Rule R647-3-105, regarding project location and disturbed area identification on a topographic map, the Division also requires the operator to mark the proposed/actual disturbed area boundary (including access/haul roads) in the field with metal T-Posts (or other suitable, fixed markers) to assure that operations do not exceed the five acre limitation of this permit. Markers must be appropriately spaced so that the next marker in either direction is easily seen with the naked eye.

The acceptance of this notice is for a small mining operation only, **not to exceed five acres**. Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements. Approval of a large mining notice could take from six to twelve months or longer.



Page 2 Sandy Nell S/001/063 May 29, 2003

For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices," and the statutory penalty for failure to reclaim a minesite (SMO-summary). Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely,

Tom Munson
Senior Reclamation Hydrologist

Enclosure: SMO summary

Will Stokes, SITLA (ML-48705)

O:\M001-Beaver\s0010063-SandyWash\final\s-complete-05292003.doc